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WEALTH AND ITS WAYS

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I

Wealth is a word of several significations, for the first of which see St. Paul's Epistle to the Corinthians: "Let no man seek his own, but every man another's wealth"—an injunction followed to the last figure by financial brethren highest in the faith. Wherefore—lest those accustomed only to capitalistic concepts should mistake St. Paul's intent—revisionists, with scholarly naïveté, have altered the original rendering to read: "Let no man seek his own, but every man another's good." The Church of England is more conservative. Her communicants cut down the civil list, to be sure; for their king, however, they still pray: "Grant him in health and wealth long to live." And we—with our own plutocrats and proletarians, our billionaires and beggars—call our country the American commonwealth!

What is wealth? "All useful or agreeable things, except those that can be obtained, in the quantity desired, without labor or sacrifice," says John Stuart Mill. A concept quite irreconcilable, it would seem, with St. Paul's, unless end and means are identified. Wealth in the Pauline sense—signifying weal, welfare, well-being—constitutes the end in this instance. Among the means thereto are "all useful or agreeable things"—wealth in the Mill meaning: material possessions. For some reason—sufficient, I suppose—the concept seems to have forsaken its ideal end and attached itself to these material means—to the disparagement, be it said, of social morality and to the prejudice of common-sense besides.

Withal, were you to ask a modern merchant, "What is your wealth?" he would answer in dollars and cents. A third signification, forsooth! And as irreconcilable as the second—with social morality, at all events; as for common-sense, class-consciousness

seems to have taken its place, so it is hard to say. But this is beyond the mark. Etymology, at all events, is of no further avail. To resolve such a trinity of significations—well-being, material possessions, and money—into anything approaching a consistent concept, I shall have to resort to the dialectics of political economy.

According to the exegesis of this doctrine, welfare results from the satisfaction of wants, and wants are satisfied through the acquisition of that elusive quality called utility. So to start again from the first signification: Wealth means an amount of welfare, welfare results from the satisfaction of wants, wants are satisfied through the acquisition of utility—consequently, wealth, in its original sense, connotes a *quantum* of *utility*. Quanta of such sort are comparable, of course, but numerically incommensurable. When bidding goodbye to your hostess you may remark: "I've had *such* a nice time," or "an *awfully good* time"; but you can't say: "I've had a seven, eleven, or forty-four time." There being no commonly accepted units of utility, epithets in such instances are your only resort.

Yet utilities attach themselves to goods—yes, and to services sometimes. So it is easy to see how a collection of goods—to say nothing of a series of services—comes to represent, in a rough-and-ready way, a corresponding quantum of utility. Consider, for example, the Indian's outfit of bows and arrows, blankets, tomahawks, tepees, and canoes—or the small boy's collection of marbles, tops, jackknives, cigar bands, postage stamps, and such like miscellaneous store. Schedules of such sort symbolize welfare and serve to distinguish the well-to-do. Whence the second signification of the word wealth; "all useful or agreeable things—except those that can be obtained, in the quantity desired, without labor or sacrifice."

But why these exceptions? Surely satisfaction is derived from utilities acquired without labor or sacrifice—from sunshine, for instance. Yes, but no *importance* attaches to the possession thereof. Because abundance prevails, "you never miss the water till the well runs dry." As scarcity enters in, importance appears and waxes with scarcity's degree. Whence the third signification of the word wealth—a sum of values—which again only economics can explain.

Like quanta of utility, amounts of importance are comparable, and commensurable besides—numerically at the outset, and still to some extent, in commodities. Not in ordinary commodities, however; only in such extraordinary commodities as, according to the philosopher Locke, are “both lasting and scarce and so valuable as to be hoarded up.” The utility of ordinary commodities—those that are perishable and freely reproducible withal—declines under accumulation. Aristotle instanced “shoes”—though the Empress Elizabeth of Russia is said to have possessed five thousand pairs. Otherwise the utility of extraordinary, or lasting and scarce, commodities—the more of these a man has, the more, it seems, he desires to possess. Why? Because the larger his supply, the higher his social station, and sycophants kowtow to him accordingly. To cite a few examples: among our American Indians, scalps and shells; among the Homeric Greeks, oxen and female slaves; during feudal days, vassals, fees, and demesnes; in the Orient, the luxury-loving Orient, treasure of divers sorts, frankincense and myrrh, alabaster and ivory, and especially precious metals and precious stones. These, and other lasting and scarce commodities, accord their possessor not only sensory satisfaction, but social prestige besides. In obedience to the general law of the declining scale of utility, sensory satisfaction seems to decline with the extent of the store; whereas social prestige appears to expand. Experiment a moment in imagination, considering, for examples: shells, “shining pieces of silver,” or even female slaves. To be sure! The result is: all, save freemen and philosophers, attach importance to the possession of such lasting and scarce commodities, not so much for the sensory satisfaction they afford, as for their prestige-conveying qualities—socially insufferable qualities, but that’s by the way. Then again—owing to individual idiosyncrasies, sectionalism, and the spirit of the times—sensory satisfaction seems to be a somewhat uncertain, in many instances even an evanescent, circumstance of all sorts of commodities. To what two individuals, within what two territories, at what two epochs, is aesthetic appreciation precisely the same? On the contrary, the prestige of proprietorship appears to be a sure and persistent circumstance, clinging tenaciously to its special commodities and accompanying

them in their passages from person to person, from place to place, or from time to time. As modern instances, consider Millet's "Angelus" or the Peachblow Vase. Strange to say, and not to be explained by aesthetics! The result is: all, save freemen and philosophers, attach something like the same, and very nearly constant, importance to the possession of these extraordinary commodities, being assured from social experience that such possession will accord them corresponding prestige. It is owing then, I take it, not so much to the sensory satisfaction they afford, as to their peculiar prestige-conveying qualities, that certain lasting and scarce commodities preserve their value even under accumulation, and vary so slightly in value from person to person, from place to place, or from time to time. This being the case, it is natural enough that commodities acquiring such qualities should have been selected to serve as commonly accepted measures of importance—"standards of value," so called. The Indian, you know, was wont to reckon his wealth in wampum, the Hebrew patriarch in cattle, the feudal lord in land, the Asiatic in shekels, and so on. What these proud proprietors were really reckoning in this wise was not quanta of utility, nor even collections of goods in first instance, but *amounts of importance*, social importance, sums of *prestige value*, I should say.

Established standards are likely to last, especially when there are vested interests to be subserved. So in this instance. As commercialism—to the smiling satisfaction of missionaries and expansionists—spread its capitalistic consequences over the face of this fair earth, one and all of the old established standards were employed to calculate the exchange value of goods and services. They served the stead and seemed to the "sound" satisfactory. Though I might perhaps remark, parenthetically, there was really no necessity for such a standard. Any ideal unit would have answered as well, since, as every authority asserts, the exchange value of goods and services constitutes a ratio. And to speak of a standard in connection with a ratio is an anachronism. But then there were vested interests to be subserved. In this, their extended capacity of exchange standards, there was not much to choose among prestige-conveying commodities—to measure the relative

importance of goods and services, cattle and slaves serve as well as silver and gold. But in their consequent capacity of media of exchange there was much to choose. Cattle and slaves cannot be cut up into small change; land cannot be carried around conveniently—the titles thereto perhaps, assignats, for instance, but the Mississippi Bubble burst. Fortunately the precious metals measured social importance as well as any prestige-conveying commodities, and were divisible and transportable besides. For these reasons silver and gold were chosen by civilized folk to serve the double stead of standards of value and media of exchange. When this occurred a new quality attached itself to the money metals. Prestige power they possessed before; henceforth they acquired purchasing power to boot. So when your modern merchant answers: "My wealth amounts to so many dollars and cents," he signifies two sums: subconsciously, his sum of prestige values; consciously, his sum of exchange values—indicating thereby both his position in the world and his ability to buy, which come to the same in these capitalistic times.

II

The moral of all this is obvious, but before proceeding upon its application, get the goal again in view. The end of human activities is the acquisition of wealth—in its original sense, understand, signifying a quantum of utility. "All of us have many wants," so Plato says, and I may add: wants are the mainsprings of our existence, expanding, so to speak, in spirals from our concupiscent centers. One series ascends in this wise from the organic, through the sensory, toward the spiritual; another series extends in the same fashion from the individual, through the familial, toward the social. I am not going further in the psychology of the situation; suffice it to say: We all seek to satisfy our expanding wants; with the result that our activities are directed toward the augmentation of utility—ideally, at all events; why they are not actually, I propose to explain. Accordingly, the larger the quantum of utility acquired, the greater our wealth in the original sense of the word. Which is, less concisely, to say: the more inclusive the unity and the more extensive the variety of our want-satisfying

qualities, the higher the stage of our organic, sensory, and spiritual; the broader the plane of our individual, familial, and social satisfactions. So you see the pursuit of happiness is synonymous in last analysis with the production of wealth, with the acquisition of want-satisfying qualities, which, as I said, is the end of all human activities.

With the end in view, now consider the means, in first instance: the goods and services to which utilities attach. Instead of producing these ourselves, singly or co-operatively, to suit our individual or social fancies, we purchase them nowadays on the market—under the existing exchange system there is no other alternative. Economists are encomiasts of commercialism; don't listen to them. Granting its capitalistic productivity, this much-vaunted exchange system would be well enough in its way were the producers of goods and the renderers of services concerned in first instance with the satisfaction of your wants, interested primarily in your welfare. As a matter of fact, they are not; like you and me and all the rest of us, they are concerned in first instance with the satisfaction of their own wants, interested primarily in their own welfare. From yours, the consumers' side of the market, you regard the goods and services you propose to buy as possible want-satisfying qualities; from theirs, the producers' side of the market, they regard the goods and services they expect to sell as potential money-making quantities. Briefly, if not altogether accurately, you are seeking pleasure; they are pursuing profit. Hence it comes to pass under the exchange system that the same goods and services serve as means to opposite ends (an impossibility on the face of it, one of the ends must inevitably be abandoned); as means, on the one hand, to the acquisition of wealth in its first signification, namely, the weal or welfare of the consumers thereof; as means, on the other hand, to the acquisition of wealth in its third signification, to-wit: the money to be made by the producers thereof. Wherein will be found the first antinomy of the exchange system: that between the producers and consumers of wealth; the second, between capitalists and laborers is like unto it—but of this only in passing by the way.

In your pursuit of happiness, put yourself in the place of a producer. From the first your path points to profit. To approach

this point, like a peddler on your way, you will be obliged to sell your goods and services, which comes pretty close, so far as I can see, to selling yourself these days. Your immediate object being to make as much money as possible, you will endeavor to sell your goods and services as far above cost as possible—on the delectable legal principle, *caveat emptor!* In order to secure a fair start and acquire a clear road, you will insist upon, and clamor for, free competition. But in your desire to forge ahead you will make straight-way for monopoly, or resort to chicanery perchance, since this is the short-cut to profits.

Suppose I set you up in business, with goods to sell. Very likely you will fail, in which case I will include you in the salary list—of your successful competitor, perhaps. But maybe you will succeed—who knows? It's mostly a matter of luck—and the world will commend your "business ability." Successfully engaged, you will soon become engrossed. In your business? I misdoubt much; more probably in "the game"—the game of money-getting and accumulation. To what end shall I say? The margin of legitimate profits is long since passed. But prestige is before you—the prestige of proprietorship and the power it brings! As for the pursuit of happiness, your youthful ideal, I can quote you the fable of Midas, "whose insatiable prayer turned everything that was set before him into gold," and point to its moral: "Men should seek after a better notion of wealth than the mere acquisition of coin."

Or suppose I include you—as I promised I should in case you were unsuccessful—among the vast majority, among those who work for their living and have simply their services to dispose of. You will find the market for these overstocked, and monopoly all but impossible to approach, though there is still the chicanery short-cut as a first, or last, resort. By this road, or another, some few have arrived; successful corporation lawyers, eminent physicians, several new-school artists, a novel-writer here, a playwright there, certain actors of repute and singers of renown, a few violin virtuosos, piano-players (of the flesh-and-blood variety, be they ever so mechanical), to say nothing of vaudeville celebrities, concert-hall stars, prize-fighters, and so on. It seems like a long list, and still far from inclusive; nevertheless, after all the efforts

of advertisers and machinations of agents, personal monopolists are exceptional. For most of us—I'm including you in this longer list—organization is the only alternative. But even under the most effective organization it requires prodigious pressure to raise salaries, wages, or the price of piecework above the pittance assigned under the established standards; there are so many "scabs" and "strike-breakers"! I am sorry for you—I can sympathize with you also, if that's any satisfaction, since I am one of the many myself. If you are only a laborer with simply services to dispose of, you are likely to be left behind—at the post—if it is profits you're pursuing on the run toward the prestige of proprietorship. But there is the prestige of prowess before you, with fame and the laurel wreath at the goal. And happiness, some affirm; others, that it is a hallucination. I'm not in a position to say, only I'd advise you to stick to your job; don't forsake your organization, at all events, for any such illusive jack-o'-lantern.

And as the outcome of all this, what of the goods and services themselves, offered for sale under our exchange system? Such as to catch the unwary, rather than satisfy the wary's wants—but this is a mere phrase and a strained one besides. Let me put you back in your proper place among the fortunate, or successful, that you may see for yourself. Having the ability to buy—and I assume also the capacity to enjoy—you should be able to satisfy your expanding wants, acquire a full quantum of utility, and so arrive at salubrious well-being. To be sure you should; only I warn you (it isn't sour grapes on my part), on your way you will be met by monopoly, decoyed by commercialism, and preyed upon by philanthropy. Perhaps you will come through in some semblance—let us hope so. In any event, and all along the line, you will live and move and have your organic being precisely as the existing system prescribes—rich folks can't afford to be distinctive—that is to say, you will eat just such food, provide yourself with just such shelter, cover yourself with just such clothing, as monopoly or fashion, which is the advance agent of monopoly, says you should, and pay the price besides. Still, the high cost of living will not affect you seriously—except as a subject of conversation. With your money means you will match monopoly—which is more or

less of your own making maybe—and come through all right, robbed only of a percentage of your income and a portion of your individuality. With what remains, a goodly sum I grant, you will ascend above organic necessities into the higher sphere of sensory satisfactions. Be on your guard! Like Parsifal in the garden, you will be beset on all sides by seducers—not by fascinating flower-girls in your extremity, but by a jostling crowd of commercialized artists and craftsmen, who have forced their way even into the Palace of Delights in pursuit of profits: architects and interior decorators advocating the “home beautiful”; landscape gardeners offering to lay off “Old English,” “Sunken,” or “Italian Renaissance” at so much per square yard; publishers and stipendiary reviewers advertising their “limited editions” and “art buildings,” their “latest” and “best sellers”; theatrical magnates and professional first-nighters heralding “long runs in Chicago and New York”; operatic impressarios announcing imported novelties—with “Wagnerian dramas” and “classic revivals” interspersed; orchestra directors and modernists in music acclaiming cacophony and producing “program” effects; picture dealers and art critics exhibiting “new schools” of esoteric design—and so on in seemingly endless array. Commercialized aesthetics surround you; you cannot escape—better accept the situation and console yourself with the reflection: “America is still a young nation”—as if age had anything to do with art! A greater percentage of your profits and therewith also a larger portion of your personality is gone—I shan’t say squandered. But suppose your balance big enough to enable you to ascend still higher, above the aesthetic satisfactions into the purer air of spiritual consolation. Be on your guard again—buzzards and vultures fly high—you’ll be preyed upon by professional philanthropy. Reform movements maintained by civic associations, religious sects with their revival meetings and missionary societies, eleemosynary and educational institutions soliciting subscriptions and demanding endowments, ameliorative idiosyncrasies and fads of all sorts encompass you—even upon this higher plane of development. You cannot resist their importunities, bodyguarded though you be by a private secretary; rest assured they will reduce your accumulation (unless your heirs

intervene)—by continuous pressure, if not by artfully aimed attacks. If you don't derive the solace sought for, remember the intermediaries do, and maybe there'll be a little left over for the final recipients of your benefactions; you'll die poor at any rate, and that, according to high philanthropic authority, is some satisfaction. I suppose I am exaggerating—how should I know? From observation, however, I can predict you will not be able to satisfy your expanding wants—organic, sensory, and spiritual; individual, familial, and social—under modern commercialized conditions, even though, or paradoxically, precisely because, you possess the money means.

The difference between Dives and Lazarus is apparent rather than real; to both the portals of substantial wealth are barred—by the exchange system in our day with its capitalistic combination. And Lazarus lies without them as of old. Let us consider his case. Don't be alarmed, I am not going to call you down again from your high estate to serve as an example—there are so many to choose from among the masses. The poor ye have always with you, which, when modernized, means: Under our existing exchange system, those who have simply services to dispose of are become immensely more numerous than those who have goods to sell besides—with the result that working men, working women, and working children withal constitute the vast majority of American consumers. To speak of these working folks' wealth in any sense, except the sardonic, is anachronistic, so largely has their pursuit of happiness resolved itself into a struggle for existence.

Consider first the unemployed—I can't in any calmness. With all that has been said of the "underconsumption" of the "submerged tenth," an exclamation escapes: What a system, forsooth, within which able-bodied and sound-minded men and women, who have services to dispose of, and are content to sell such services for the mere minimum of subsistence, should still starve, submit to charity, or go to prison perhaps! If it weren't for the iniquity of the thing, I could scoff at the absurdity of such a system. Like swearing, an exclamation is some relief, so I'll pass on to the employed.

At the present stage of "industrial unionism" and "restricted immigration" the services of the unskilled are subject, in large extent, to competition; whereas, the goods they are compelled to purchase are monopolized for the most part, and procurable, very probably, from the "company store." Under conditions of this kind where marginal wages and monopoly prices prevail, the high cost of living is not a speculative phrase; it's a formidable fact. Under such conditions it takes tight pinching, I can tell you, for the unskilled laborer to survive, even though his wife and children sell their services also to eke out. In which case what becomes of his family, for the satisfaction of whose organic wants he is supposed to provide food, shelter, and clothing? And such food! such shelter! such clothing! If you don't believe me, go a-slumming and see for yourself; you'll not be edified, but you may be aroused.

Or: if it's more agreeable, regard the aristocrats of labor, substantially fed, neatly clad, and comfortably housed—signal instances and laudable examples of opportunity! Or is it organization that is accountable for their superior estate? In any event, skilled artisans are enabled to confront monopoly, single-handed or in phalanxes, and impose contractual conditions. Out of such conditions, despite the high cost of living, in numerous instances a surplus issues for the satisfaction of sensory wants. But consider with me a moment the opportunities offered in modern America for the expenditure thereof. Pursuing profits as is usual, or somewhat extraordinary in this case, cheap-John producers have gone to incredible extremities in providing imitation luxuries for the special consumption of high-wages earners, and low-salary recipients also, if you please. Look in the windows, or cast your eye over the counters, of ten-cent stores; isn't it amazing? Some say it is a blessing; I'm not so sure, with an eye to the artistic, at any rate; but to puncture the prestige bubble, perhaps? Excursions also are cheap—for this reason overcrowded and, despite their glowing prospects, none too delectable in the end. Saloons serve as substitutes for clubs, public dance halls take the place of private parlors—both highly profitable, if not overelevating, institutions. As a makeshift for the theater, there are the moving-picture shows—equally profitable and not quite so degrading as the foregoing.

Then occasionally free band concerts are afforded in the city parks or on the piers; art galleries, zoölogical gardens, aquaria, and other quasi-public exhibits are open on certain working days, and libraries withal, "wherein the enforced leisure of the unemployed may be whiled away in relative contentment."¹ Farther from city centers, chromos, plaster casts, piano-players, phonographs, and other aesthetic gas-logs are offered—by mail order, mind you—to those who fancy they can afford them, on the instalment plan. Come to think of it, there are opportunities for evening entertainment (if you are not too tired) and for holiday amusement also (if you can afford the fare). And, at the close of your long service, clerks and artisans, rise and give thanks with the entire congregation of Fans, in gratitude unbounded to the great American spirit for vouchsafing us our national game, and for preserving its purity amid the pitfalls of plutocracy! When it comes to spiritual satisfactions, I shall have to warn you workingmen as well. Like Caius Gracchus of old (Tiberius was wiser, though his sagacity cost him his life), you are likely to become ensnarled as a recipient of philanthropic favors—I could quote you such significant examples both from America and from abroad. This is far worse for a freeman, I assure you, than falling prey to philanthropic exactions. Be on your guard against these Greeks; the gifts they bring are bribes.

Enough! I know I am not exaggerating this time. The ordinary workingman of America, even when assisted by his family, is restricted to the satisfaction of his organic wants. How many fall short of this, charity statistics show. And with all that is being laid out superficially to alleviate his lot, little is being effected fundamentally to meliorate his condition. Yet according to our Declaration of Independence, his claim to sensory and spiritual satisfaction is precisely as good as yours. Realizing this in the course of his limited education and restricted experience, the democratic laborer is now going in for "direct action," "industrial unionism," "syndicalism," so called. To be opposed by oppression, perhaps—even so, if equal opportunities are not accorded, they are bound to be acquired. As for the skilled aristocrat, he receives a

¹ W. J. Ghent, *Benevolent Feudalism*, p. 10.

surplus. So much I concede. The question is concerning the relative size of this surplus, and the comparative opportunities afforded for the expenditure thereof. Not such, I should say, as to carry him very far in the direction of sensory or spiritual satisfaction. Compared with monopoly profits, union wages are as a pebble in a pile. Yet when you contrast the productive contributions of the skilled artisan with those of the shrewd capitalist—quite right, your point of order is sustained, I am considering consumption. To conclude accordingly: Before the masses of the unskilled the high road to happiness has become obliterated by the struggle for existence; before the classes of the skilled an obstructed footpath proceeds. Will the aristocrat continue on this obstructed way, following the *ignis fatuus* of his plutocratic precursor, or will he go back and aid his democratic brethren in blazing a broader trail? Upon his decision, as I see it, the epiphany of socialism depends.

III

I will not have you infer from this I am entering on an argument. It is not necessary; analysis is enough. And such analysis shows: Producers and consumers at cross-purposes; capitalists and laborers at loggerheads; sellers of goods overreaching one another; renderers of services wrangling among themselves; the many poor struggling for sheer existence; the few rich seeking silly pleasures and pursuing absurd prestige. Looking backward, you point with pride to patriotic citizens of the great American commonwealth; pressing about you are bickering competitors of a petty American private-wealth; and immediately before you, prospects of restoration through reform. Prospects particularly pleasing to the purblind, but illusory, owing to the conjunctures of the exchange system. To correct such astigmatism, and encourage hyperopia, I will ask you to reconsider the logic of the situation.

Wealth in the original sense of the word, signifying weal, welfare, well-being, results from the progressive satisfaction of wants. In accordance with this ideal, we all seek to satisfy as many of our expanding wants as possible. The means thereto are goods and services to which want-satisfying qualities, or utilities, attach. Ideally, therefore, our activities are directed toward increasing our

supply of such goods and services; not at random, be it said, but with due regard to unity and variety, since the more inclusive the unity and the more extensive the variety of want-satisfying qualities, the larger the quantum of utility acquired, and, accordingly, the greater our wealth in the original sense of the word. Now note you: under the exchange system—which is to remain intact throughout and after the restoration—goods and services are acquirable only by purchase on the open market; we are compelled to bargain for and buy our welfare, these days. The extent of such purchases depends upon the amount of money in hand. What is the result? Directly before, and so as to obscure, the ideal end of satisfying as many wants as possible, there appears in the foreground of our imagination the immediate end of making as much money as possible. Now reverse the shield: Under the exchange system—which is to remain intact throughout and after the restoration—money is acquirable only by the sale of goods and services on the open market; we have to haggle and sell to be well-to-do these days. The more extensive the sales the larger the amount of money received. To be sure; but this is half said. There are the comparative advantages of competition and monopoly to be considered besides. Under competitive conditions of sale, prices oscillate about the cost of production, and money is disseminated among many hands; under monopoly conditions of sale, prices may be maintained above cost as far as effective demand, and, what is more, money becomes concentrated in the hands of the few. With the immediate end in view of making as much money as possible, which appears the more advantageous means? With your eyesight adjusted to the logical conjunctures the illusion disappears. Monopoly is the profitable choice. In fact, under the exchange system, there isn't any alternative at all. Any producer with a bit of business sense, be he a seller of goods or a renderer of services, will strive, in his own interest and those of the class to which he belongs, to clear himself from competition; whether he makes for monopoly or resorts to chicanery is incidental and fortuitous besides.

Pertinent, I take it, at this juncture is the remark of a certain socialist (Victor Berger, I believe): "Attempting to restore com-

petition is like trying to unscramble eggs.” And yet this is precisely the plan proposed by the party in power. Whether, considering comparative efficiency, increasing cost, diminishing returns, and other economic incidences, such a restoration would be beneficial at best to the small capitalists and middle-class consumers who are behind the movement, I am not so sure. But this is not the point. Overlooking even the ruthlessness of such a procedure, it’s the sheer impossibility of the proposal that impresses me. If under the exchange system—which is to continue intact—it is to the economic interests of producers to combine, how are you going to compel them to compete? By invoking the sovereign power of the state. At last we have arrived at the source of the fallacy—the doctrine of popular sovereignty! No fallacy at first, I assure you, but nowadays, under the existing order. As Charles Edward Russell has so well said, it is no longer the People but Business that prevails. Business is the heart of the nation, distributing life-blood, in the guise of goods and services, to the body politic. But the flow is become polluted—correct the diagnosis—blood-poisoning has set in. Even so, you mustn’t interfere with the action of the heart. Content yourselves with prophylactics, my Democratic confrères. Regulate the system with laxative legislation; if this doesn’t effect the desired results, try drastic doses of judicial decision. Or in an emergency you might resort to the antiquated remedy of blood-letting; confine your patients if they won’t submit willingly to the operation, and preserve for analysis the corpuscles you withdraw in the way of fines. Enough of the analogy; it isn’t mine anyway and it is carrying me too far. What I want to asseverate is this: you cannot restore competition among producers, because competition among producers is not good business. Continue the attempt: business will either frustrate your efforts or ingeniously avoid the issue. Surely you have had enough experience in the past to appreciate this statement. Business in modern America stands supreme.

IV

Wealth in the original sense of the word, signifying weal, welfare, well-being, rules by divine right on the throne of the ideal.

Opportunity is his prime minister, charity his social ambassador; honest goods and unselfish services minister to his behests. Whole-some workmen co-operate in production; in consumption, cheery comrades sit about the board. Such is the Golden Age—or call it with Glaucon “a city of pigs,” if you please. Under the guise of the exchange system a usurpation has been effected. Tricked out as a legitimately derived signification of his ancient ancestor (though himself a sheer sum of exchange values), the money-power impostor at present prevails. Monopoly is his prime minister, chicanery his business ambassador; dishonest goods and selfish services contribute to his prestige. Conniving capitalists and class-conscious laborers compete in production; in consumption, a few sit, many serve, and outcasts gather up the crumbs. Such is the Commercial era—call it with Socrates “the luxurious state” if you like. In view of this contrast a restoration is devoutly to be desired. Granted—only you mustn’t expect it to be effected through reform. For one reason, Nature doesn’t operate that way.

We are accustomed to contrast evolution and revolution; this is all wrong; they are one and the same. Throughout the organic realm, if DeVries is right, mutations occur in cycles, suddenly, *per salta*, so to speak. To be sure, the preparation is gradual but the fulfilment is abrupt—in the social world, at all events. Can you recall a social transformation of any significance that has been brought about gradually through reform? I thought not. Reform, you will find, is only a concomitant, never the cause of progress; it serves as an index also, appearing as a precursor and multiplying upon the approach of a cataclysm. Below the social surface, economic changes go on continuously, and so gradually as to be all but imperceptible, were it not for the index of reform. When the cycle is completed, the cataclysm occurs; reforms are swept away and revolution proceeds to complete the work of restoration. Whether the revolution be bloodless or sanguinary is only a dramatic incident. The essential is that social transformations are effected in this way. As for existing signs, the reform index points conspicuously, and significantly it seems to me, though I am not in a position to prophesy. Whether the cataclysm will overflow ere long, or be walled back for a generation or so, depends, so far

as I can see, on the attitude of skilled labor and, since conservatives are committed to fatuous reforms, upon the policy of progressives toward the economic changes occurring the while. Though of this I am quite convinced—sorrowfully from experience in the past—when the revolution does occur, there will be resistance all along the capitalistic line and acrimony no end, between social classes and geographic sections besides. Yet there is no real reason for such antagonism; it doesn't arise from the innate iniquity of mankind, at any rate; perhaps it is due to the inequalities of property that have prevailed so far. Let us say so to save our respect for universal suffrage, and in conclusion I ask you to meditate meekly upon the changes that are destined to occur. Amid the tumult and turmoil of the times it is impossible to pick out the details. But in broad outline the contrast is inspiring, and illuminating withal: between the existing competitive private-wealth I have endeavored to describe, and the coming co-operative commonwealth, I leave for your imagination to depict.